




OMIP on Pohnpei -- Lessons Learned



EPC Pohnpei State Government




OMIP Program

- Operations and Maintenance Improvement Program
 - Concurrent with the Compact of Free Association
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Goal and Objective

- Goal: to manage Compact-funded assets on Pohnpei
 - Prime Objective: a working utilities company
 - Extension of program to State (Pohnpei) owned assets
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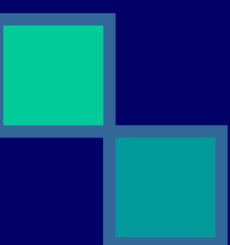



Today's Situation

- An unqualified success for the prime objective
 - A fully functioning utilities company
 - A qualified failure for the secondary objective
 - A struggling program for government facilities
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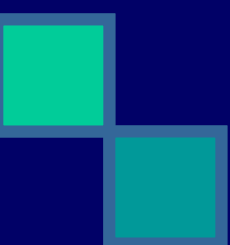



How Did We Get Here?

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- 15 years track record: 8 years private consultant, 7 years Army Corps of Engineers
 - Original assumptions are no longer valid
 - Experience for utilities company cannot be transferred
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Reasons For Lack of Success

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- Federal structure of the FSM
 - Multiple bottlenecks between National and State levels
 - Issues of matching funds –complexity of budget cycle
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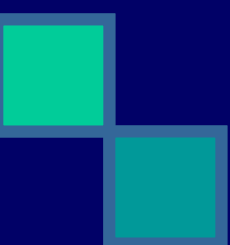



More Reasons for Lack of Success

- Lack of maintenance funding
 - Restrictions on funding (no hardware; no personnel)
 - No training for accessing program
 - Unclear program definitions (compare with PUC)
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Let's Pile it on

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- Lack of capacity
 - Inadequate financial management
 - Cultural barrier on planning
 - No single focal point, unlike with PUC
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New Developments

- Amended Compact provides funding for maintenance
 - Infrastructure sector grants operate the same way as OMIP
 - New financial management system a priority
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Available Options

- Direct dealings with DoI
 - Cut off/ expand State program
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Recommendation



- Direct dealings between State and DoI
 - Reach-out to potential grantees (better sale job)
 - Modify funding restrictions (less funds – more funded items)
 - Caution regarding regional programs
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- How do I get to Disneyworld?